

Bruce Berline, Esq.
Law Office of Bruce Berline LLC
Security Title Building
Isa Drive, Capitol Hill
P.O. Box 5682
Saipan, MP 96950
Telephone: (670) 233-3663
Facsimile: (670) 233-5262
Email: bberline@gmail.com

Aaron Halebua
AARON HALEGUA, PLLC
524 Broadway, 11th Floor
New York, New York 10012
Tel: (646) 854-9061
Email: ah@aaronhalebua.com

Attorneys for Plaintiff

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN MARIANA ISLANDS**

JOSHUA GRAY,

Plaintiff,

v.

IMPERIAL PACIFIC INTERNATIONAL
(CNMI), LLC,

Defendant.

Case No. 19-cv-0008

**DECLARATION OF AARON
HALEGUA IN SUPPORT OF AN
ORDER TO SHOW CAUSE
AGAINST IPI AND HOWYO CHI**

Hearing date: n/a

Hearing time: n/a

Judge: Hon. Ramona V. Manglona

I, AARON HALEGUA, hereby declare:

1. I am over eighteen years of age and am fully competent to testify to the facts set forth in this declaration. I, along with Bruce Berline, represent Plaintiff in this action.¹

¹ The defined terms herein have the same meaning as in the Memorandum of Law in Support of Plaintiff's Petition for an Order to Show Cause, unless otherwise noted.

1 2. I am submitting this declaration in support of Plaintiff's Petition for an Order Show Cause
2 against IPI and Howyo Chi which seeks to hold them in civil contempt for noncompliance with this
3 Court's Order concerning the liquidation of IPI's Personal Property. (See ECF No. 275 ("Order")).
4

5 IPI failed to provide adequate security

6 3. In October 2020, the *Saipan Tribune* reported that IPI's CEO stated that people were
7 stealing items from the Casino and IPI's other warehouses every day. (See **Exhibit A**).²

8 4. On January 30, 2023, the *Saipan Tribune* reported that two men broke into the Casino by
9 jumping over the back fence in an attempt to steal copper wire and construction materials. Officers
10 from the Department of Public Safety ("DPS") responded, but only located and arrested one of the
11 two thieves. IPI stated that copper wire and construction materials had already been stolen during
12 that past week but that IPI's security did not see the thieves during those prior incidents. (See
13 **Exhibit B**).³
14

15 5. On February 13, 2023, this Court and the attorneys for IPI's judgment creditors, including
16 myself, visited the IPI casino and villas in Garapan (the "Casino"). The visit made clear that the
17 Casino had numerous entrances and exits. Despite the prior robberies, the Casino still had no
18 electricity and no operable security cameras or equipment.
19

20 6. On September 7, 2023, the *Saipan Tribune* reported that two men stole property from IPI's
21 warehouse in Chalan Piao. The thieves were only caught because a private citizen saw the thieves
22 and called the police. (See **Exhibit C**).⁴
23

24 ² The story is also available at: [https://www.saipantribune.com/featured/construction-items-](https://www.saipantribune.com/featured/construction-items-stolen-from-ipi-everyday/article_cf887a08-26a6-5cc0-a064-e3371ce26c8c.html)
25 [stolen-from-ipi-everyday/article_cf887a08-26a6-5cc0-a064-e3371ce26c8c.html](https://www.saipantribune.com/featured/construction-items-stolen-from-ipi-everyday/article_cf887a08-26a6-5cc0-a064-e3371ce26c8c.html).

26 ³ The story is also available at: [https://www.saipantribune.com/featured/2-allegedly-break-into-](https://www.saipantribune.com/featured/2-allegedly-break-into-casino-in-robbery-try/article_ba9d15fd-fc27-5ef6-a44f-4df1f9858500.html)
27 [casino-in-robbery-try/article_ba9d15fd-fc27-5ef6-a44f-4df1f9858500.html](https://www.saipantribune.com/featured/2-allegedly-break-into-casino-in-robbery-try/article_ba9d15fd-fc27-5ef6-a44f-4df1f9858500.html).

28 ⁴ The story is also available at: [https://www.saipantribune.com/news/local/two-arrested-for-](https://www.saipantribune.com/news/local/two-arrested-for-theft/article_3b65aa5c-4ca3-11ee-b367-17e8ed821563.html)
[theft/article_3b65aa5c-4ca3-11ee-b367-17e8ed821563.html](https://www.saipantribune.com/news/local/two-arrested-for-theft/article_3b65aa5c-4ca3-11ee-b367-17e8ed821563.html).

1 7. Because it was well-known that IPI's security at the Casino and warehouses was inadequate,
2 and the risk of theft was high, Plaintiff requested and the Court mandated that IPI take measures to
3 ensure the security of IPI's Personal Property that was the subject of a writ of execution issued by
4 the Court and that IPI report to the Court on these measures. (Order ¶ 16).

5
6 IPI violated the Order to provide adequate security

7 8. I never received any communication from IPI about any measures that it was taking to
8 comply with the Order to ensure the security of IPI's Personal Property, let alone a sworn
9 declaration attesting to the adequacy of those measures.

10 9. In late November 2023, I was informed by Clear Management that after it had performed a
11 full inventory of IPI's Liquor, which was held inside the Casino, two boxed bottles of McCallan
12 No. 6 (an expensive whiskey) were stolen. The theft was reported to IPI and to the police. Clear
13 was therefore forced to remove these items from the auction of IPI's Liquor.

14
15 10. Although IPI was responsible for ensuring the security of IPI's Personal Property at the
16 Casino, Clear Management moved IPI's Liquor into two storage rooms, each with only a single
17 entrance, and put a padlock on those doors.

18 11. In late February, 2024, I was informed by Clear Management that 12 bottles of 50-year old
19 Moutai and 5 bottles of 30-year old Moutai—an expensive Chinese liquor—were stolen from the
20 locked storage rooms at the Casino. The theft was reported to IPI and to the police.

21
22 12. I personally visited the Casino in March 2024 and viewed the rooms holding the liquor. It
23 was clear that someone could enter the storage room on the right (when facing both doors) without
24 removing the lock by simply loosening a few screws and taking off the entire door hinge.

Value of the Stolen Liquor

13. A bottle of the Macallan No. 6 (700 ml) stolen from the Casino is available for purchase online (in the United States) as of April 7, 2024 for \$4,499.99 on the website frootbat.com and for \$6,699.99 on caskcartel.com. Screenshots of these websites are attached as **Exhibit D**.⁵

14. The winner of the liquor auction, Leader Capital, after discovering that the 17 bottles of Moutai were missing, stated that the “total market price” for these items is “over US\$100,000,” and requested that the company receive a credit in this amount to be applied in the vehicle auction. A copy of the email from Vicky Chan is attached as **Exhibit E**.

IPI has engaged in a pattern of obstruction and disobedience

15. Even since before the Court issued the Order, IPI has consistently engaged in a pattern of disobedience and obstruction. A few examples are provided below.

16. Prior to Clear Management being appointed to liquidate IPI’s assets, IPI not only opposed the appointment of Clear Management (ECF No. 263), but IPI’s affiliate, Century Estate, tried to intervene and stop the receivership by claiming IPI owed it millions of dollars. (ECF No. 261, 264). Century Estate’s motion was based on a sworn declaration filed by Howyo Chi (ECF No. 261-3), which made numerous false accusations against Clear Management (*see* ECF No. 267-2).

17. In terms of security, IPI never took adequate measures to ensure the security of IPI’s Personal Property, either in the Casino or at other locations. IPI also never filed the required sworn declaration and supporting evidence to show that it had taken adequate measures.

18. On or around November 8, 2024, IPI had a team of workers using a blow torch to dismantle the metallic egg/sphere structure in the Casino lobby. No notice was provided to Plaintiff or Clear

⁵ The web address for these products are here: <https://www.frootbat.com/product/467489/The-Macallan-Decanter-Series-No-6-in-Lalique-Single-Malt-Whisky-700ml-Decanter/United-States> and <https://caskcartel.com/products/macallan-no-6-decanter-speyside-single-malt-scotch-whisky-700ml>.

1 Management. The writ of execution encompassed all of IPI's "furniture and equipment," explicitly
2 including any "art." (ECF No. 231-3 ¶ 10). Nonetheless, when Mr. Chi was confronted about this
3 incident, he claimed that he did not know the egg was subject to the writ and he stated that it was
4 being dismantled because it brought "negative feng shui to IPI." A copy of this email exchange is
5 attached as **Exhibit F**.

6
7 19. In the related matter before this Court, *U.S.A. Fanter v. IPI*, No. 21-cv-0035, the Court
8 issued an order on January 22, 2024 requiring IPI to tender to Clear Management the keys to each
9 vehicle on the inventory list filed by Clear Management. (*Fanter*, ECF No. 49). IPI refused to fully
10 comply with this mandate for months. On March 4, 2024, while I was in Saipan, I personally
11 observed an IPI employee driving one of the listed vehicles (a Toyota Yaris, license plate number
12 ACS 976) right in front of myself, Chris Craney from Clear Management, and Howyo Chi. Mr. Chi
13 had insisted for weeks that IPI could not provide the keys to the Yaris because a former IPI
14 employee was using the car and IPI could not get the key. Shortly after I witnessed the Yaris being
15 driven, IPI tendered the key to that vehicle.

16
17 20. During the liquor auction, IPI's affiliate, Century Estate, submitted the largest bid for the
18 entire liquor collection. After being notified that it won the auction, Century Estate refused to pay
19 the amount of its bid.

20
21 Communication with IPI about its noncompliance

22 21. After visiting the IPI Casino and at least one warehouse on March 4, 2024, it became
23 obvious to me that IPI's security was inadequate to ensure the safety of the remaining personal
24 property subject to Plaintiff's writ of execution.

25 22. On March 7, 2024, along with counsel for U.S.A. Fanter and Clear Management, I sent a
26 letter to IPI's counsel noting its pattern of noncompliance with the Court's orders establishing
27 limited receiverships and our intention to hold IPI in contempt if it did not come into compliance,
28

1 including by taking measures to ensure security of the personal property and making the required
2 filings with the Court by March 11, 2024. A copy of the letter is attached as **Exhibit G**.

3 23. On March 12, 2024, IPI filed a declaration related to the IPI Vehicles as well as a single,
4 seven-paragraph declaration by Natividad Cabrera, with no supporting evidence, regarding security
5 at the Casino. (ECF No. 289 (“Cabrera Decl.”)). That same day, I emailed IPI to request that the
6 details about IPI’s security arrangement and its adequacy be sent to me by the close of business that
7 day. On week later, on March 19, 2024, and only after my prompting, IPI provided vague responses
8 to some of the questions that I had raised. The same day, I requested that IPI provide actual details
9 about the meaning of “full time,” the actual schedule for the security guards, IPI’s budget for
10 security at the Casino, and other relevant information. The same day, Michael Chen, IPI’s counsel,
11 responded that he would “get back to [me] as soon as possible.” I have not received any
12 correspondence since then. **Exhibit H** is a copy of the email exchange between myself and IPI’s
13 counsel from March 7 to March 19, 2024.
14
15

16 Howyo Chi’s role at IPI

17 24. Howyo Chi is the executive director for IPI, and I believe he is in control of IPI’s
18 compliance with the Order and the security arrangements for the Casino and its warehouses.

19 25. On October 9, 2023, Mr. Chi executed a sworn declaration in this case testifying that
20 Century Estate had paid various IPI expenses in excess of \$11 million. (See ECF No. 270-2).
21

22 26. After I sent a November 7, 2023 email to IPI about the egg/sphere being taken apart at the
23 Casino, I received a response from Howyo Chi stating that “I initially thought that the egg was not
24 included...,” and that “I have directed our team to halt their work...”. (See **Exhibit F**).
25

26 27. After Century Estate, in a November 30, 2023 letter to Michael White, expressed its
27 intention to submit a “credit bid” in the upcoming liquor auction, it was Mr. Chi who followed up
28

1 with Michael White via a December 4, 2023 email for an “update on this matter.” A copy of this
2 email is attached as **Exhibit I**.

3 28. **Exhibit J** is a copy of the story “IPI, Yeom agree on \$49M settlement, but Palacios said to
4 have rejected it” that was published in the *Saipan Tribune* on March 4, 2024, which reports that
5 Mr. Chi informed the newspaper about the settlement negotiations between IPI and the CCC and
6 between IPI and Governor Palacios.⁶

7
8 29. On March 6, 2024, the *Saipan Tribune* reported that when the Department of Public Lands
9 issued a default notice to IPI for the Casino property, Mr. Chi informed the newspaper that a
10 meeting between the parties had been scheduled. A copy of the story is attached as **Exhibit K**.⁷

11 30. **Exhibit L** is a copy of the story “IPI has no president, CEO, CFO,” published in the
12 *Marianas Variety* on March 8, 2024, in which Mr. Chi told the newspaper that IPI no longer has a
13 president, CEO or CFO, but that the Department of Public Lands could address its notices regarding
14 IPI’s violation of its land lease agreement for the Casino to him.⁸

15
16 I declare under penalty of perjury that the foregoing is true and correct. Executed in Cambridge,
17 Massachusetts on the 7th day of April, 2024.

18
19
20 /s/ _____
AARON HALEGUA

21 Attorney for Plaintiff

22
23
24 ⁶ The story is also available here: https://www.saipantribune.com/news/local/ipi-yeom-agree-on-49m-settlement-but-palacios-said-to-have-rejected-it/article_c091b0d2-d933-11ee-a15c-c3c5a7dcddb4.html.

25
26 ⁷ The story is also available here: https://www.saipantribune.com/news/local/dpl-issues-notices-of-default-violations-against-ipi/article_b986efbc-dab6-11ee-8983-b7b6f54d81c8.html.

27
28 ⁸ The story is also available here: https://www.mvariety.com/news/local/ipi-has-no-president-ceo-cfo/article_9fb94660-dc5b-11ee-bb76-130bba4f21ae.html.

Exhibit A

<https://www.saipantribune.com/index.php/construction-items-stolen-from-ipi-everyday/>

‘Construction items stolen from IPI everyday’

By Ferdie De La Torre | Reporter
Oct 28, 2020

With construction progress at the Imperial Pacific Resort in Garapan now at a “moderate pace” due to a labor shortage, construction items from the project site and IPI warehouses are allegedly being stolen every single day.

Separately, speaking at the Commonwealth Casino Commission’s monthly meeting at its office at the Springs Plaza in Gualo Rai last week, commissioner Ramon M. Dela Cruz questioned why Imperial Pacific International (CNMI) LLC is not collecting the huge amounts of collectibles from some of its customers.

“If IPI collects those money, we wouldn’t be in this situation right now,” Dela Cruz said.

IPI has so far failed to pay the \$15.5 million casino license fee and \$3 million regulatory fee this year.

Dela Cruz said this is the first time he has seen a casino that actually provides credit in large amounts of money and then doesn’t collect on those money owed. “It’s unheard of in the casino industry,” he said.

Dela Cruz said he is raising that issue every time they have a meeting because it’s very critical. He said if IPI does collect that money and they’re not reporting it, that’s another serious issue of tax evasion.

“I have personal experience in a casino that has receivables and they will collect [and] they’re getting paid in China and not remitting it to the CNMI,” Dela Cruz said.

At the same CCC meeting, IPI resident project director Jing Zhou said that COVID-19 continues to negatively impact the construction progress of the resort due to their inability to schedule manufacturing technicians and project engineers of records to Saipan.

At the same meeting, IPI CEO Donald Browne said everyday people are stealing items, construction equipment, and tools from the resort project site and from their many warehouses.

“We just don’t have the resources to be fully staffed 24 hours,” Browne said.

The CEO said the material that goes missing prohibits them from completing a certain aspect of the project. “That budget for one piece of material could literally put you back 15 days,” he added.

Zhou also disclosed to the board that, excluding 15 of the management staff, they have a total of 304 workers for the construction project.

Zhou said there are 234 H2-B workers and 70 from the local manpower, AM Group. The H2-B workers are composed of 87 Taiwanese, three Thais, 113 Mongolians, and 30 Turkish.

Exhibit B

<https://www.saipantribune.com/index.php/2-allegedly-break-into-casino-in-robbery-try/>

2 allegedly break into casino in robbery try

By Contributing Author
Jan 30, 2023

The Department of Public Safety dispatched a team of police officers to the Imperial Pacific International (CNMI) resort casino in Garapan last Friday following a report made by IPI's security team of two men breaking into the building in an attempt to steal copper wires and construction materials.

DPS officers were all over the IPI casino resort last Friday in search of two men who were allegedly seen by security entering the building in search of copper wires and construction materials.

According to Patrick Arriola, acting DPS public information officer, armed police officers were dispatched to the scene. However, as of press time, Arriola said he could not release any further information.

At around 1:30pm Friday, police who responded to the burglary managed to capture and detain one of the two men.

Meanwhile, in an interview with IPI representatives, it was learned that the two men were seen entering the building by IPI security guards at around 9am.

They were allegedly trying to steal copper wires and reusable construction materials from the casino that has been stagnant for years. It was not immediately learned what made them suspect that the two were wire copper thieves, but an IPI representative had said that copper wires and construction materials have been stolen from the resort casino this past week. It was only last Friday that security guards witnessed the break in.

It was learned that the two individuals jumped the back fence of the casino.

Meanwhile, the man who was arrested last Friday is expected to appear before the Superior Court for a bail hearing and initial appearance hearing today.

This is a developing story. (*Kimberly B. Esmores*)

Exhibit C

https://www.saipantribune.com/news/local/two-arrested-for-theft/article_3b65aa5c-4ca3-11ee-b367-17e8ed821563.html

Two arrested for theft

By KIMBERLY B. ESMORES

kimberly_esmores@saipantribune.com

REPORTER

Sep 7, 2023



The Department of Public Safety arrested last week two men involved in a reported theft at a warehouse behind Blue Sky Market. Last Thursday, DPS officers arrested Mark Halstead and Jose Ngeskebei for allegedly stealing from an Imperial Pacific International (IPI) warehouse behind Blue Sky Market in Chalan Piao.

Both men are facing charges of burglary and theft.

The two men went before Superior Court Associate Judge Wesley Bogdan Tuesday for a bail hearing. The judge imposed a \$5,000 cash bail for Halstead and a \$1,000 cash bail for Ngeskebei.

Bogdan ordered the two men to return to court on Sept. 13, for a preliminary hearing while their arraignments were set for Sept. 25.

According to court documents, On Aug. 31 at around 9:24am, police received a call reporting a theft in progress at the IPI warehouse behind Blue Sky Market.

The caller told police that he was feeding his dog outside the warehouse when he noticed the metal sheet on the warehouse door was dented outwards.

While he was trying to fix the sheet of metal, he said he heard people moving inside the warehouse so he peeked inside and noticed that there were two men inside.

After seeing the two men, the caller said he went into the jungle just behind the warehouse as he knew there was a path leading out from the warehouse through the jungle.

He stated he noticed a red pickup truck parked nearby with items from the warehouse in the bed of the truck.

He called for police assistance before following the red pickup truck to a residence in Chalan Kanoa.

The residence was later determined to be Halstead's residence.

Police went to Halstead's residence and spoke to the defendant who initially claimed he had just gotten home and when he did, Ngeskebei was already there with chairs and other items.

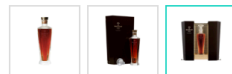
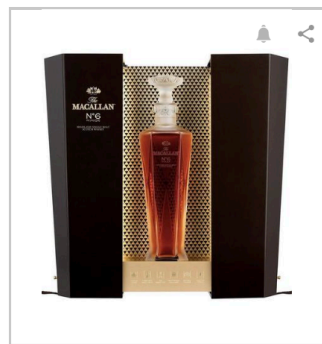
He allegedly later admitted that he was inside the warehouse with Ngeskebei who had woken him up earlier that day to load some stuff into his truck so he could sell them.

Kimberly Esmores

Exhibit D



[Whiskey](#)
[Tequila](#)
[Other Liquors](#)
[Wine](#)
[Help](#)
[Blog](#)
[Login](#)

[Home](#) / [Single Malt Scotch Whisky](#) / [The Macallan](#)


THE MACALLAN

Decanter Series No. 6 in Lalique Single Malt Whisky 700ml

★★★★★ 3 reviews

Choose a bottle size

700ML DECANTER

750ML DECANTER

The Macallan whisky maker with laliques exquisite craftsmanship to create a stunning whisky encased in the finest and most stylish, crystal decanter. This rich complex single malt takes it is unique natural colour and character from the fist fill Spanish sherry seasoned oak casks handcrafted by the master craftment of Jarez de la Frontera's the home of sherry.

Beverage type: Single Malt Scotch Whisky Product Origin: Scotland

Alcohol Level: 43%

Bottle size: 700ml decanter Single

Tastes like:



✓ IN STOCK

~~\$4,999.99~~

\$4,499.99

Quantity:

- 1 +

Add to cart

Fast Shipping

Buyer Protection

Secure Payment

Authenticity Guarantee

Get 10% Off ✕

Brand

Collection

Reviews

Tasting Notes

Latest Blog Posts

How we pack

Product Suggestions



United States

USD \$



(/)

[NEW ARRIVALS](#) ▾ (/COLLECTIONS/NEW-ARRIVALS) [WINE](#) ▾ (HTTPS://CASKCARTEL.COM/PAGES/WELCOME-TO-CASK-CARTELS-FINE-RARE-2023-WINE-CELLAR)

[SPIRITS](#) ▾ (/COLLECTIONS/CASK-CARTEL) [WHISKEY](#) ▾ (/COLLECTIONS/WHISKEY) [TEQUILA](#) ▾ (/COLLECTIONS/TEQUILA) [RUM](#) ▾ (/COLLECTIONS/RUM)

[VODKA](#) ▾ (/COLLECTIONS/VODKA) [GIN](#) ▾ (/COLLECTIONS/GIN)

[ADVENT](#) ▾ (HTTPS://CASKCARTEL.COM/COLLECTIONS/WHISKEY-ADVENT-CALENDAR-2023-BOURBON-ADVENT-CALENDAR-2023-WHISKEY-ADVENT-CALENDAR-2023)

[GIFT GUIDE](#) ▾ (/PAGES/THE-CASK-CARTELS-FINE-RARE-WINE-CELLAR-OVER-35000) [CORPORATE GIFTING](#) ▾ (/PAGES/CORPORATE-GIFTING)

RECENTLY VIEWED ▾

Macallan No.6 Decanter Speyside Single Malt Scotch Whisky | 700ML



Whiskey: Macallan No.6 Decanter Speyside Single Malt Scotch | 700ML

This is a beautiful piece of whisky.

Order from the Largest & Most Trusted Premium Spirits Marketplace!

Featured in:

- ROLLING STONE
- MEN'S JOURNAL
- US WEEKLY

ALL ORDERS PLACED ARE GUARANTEED and WILL NOT be cancelled like with other retailers. Many other small liquor store sites will end up cancelling your order due to the high demand and unavailability.

Size: 700ML

Proof: 86 (43% ABV)

Origin: Scotland

Distillery: Macallan Distillery



Complimentary Gift Messaging

1

\$6,699.99

Add to Cart

(//caskcartel.com/cdn/shop/products/macob.non63_6d22d4e7-85f4-4fa8-8607-5a092d6d288e_1400x.jpg?v=1611513065)

*This image represents the intended product however, bottle designs, artwork, packaging and current batch release or proof may be updated from the producer without notice.



(/products/everclear-151-750ml-proof-grain-alcohol)

Detailed Description

Macallan No.6 is comprised of whiskies aged in first-fill sherry casks. Presented in a six-faceted Lalique decanter, this is rich and sumptuous, with notes of fruit cake and orange.

Macallan No.6 Decanter Speyside Single Malt Scotch Whisky |

700ML Tasting Notes

Nose: Aroma is very pleasant.

Palate: The palate is an explosion of flavors and the finish is nice.

Finish: This is a very light and refreshing malt.

Distillery Information

Macallan was one of the first distillers in Scotland to be legally licensed. Since then we have built a reputation as one of the world's leading single malt whiskies. The creation of The Macallan draws on the vital contributing influences of Spain, North America and Scotland - and of their respective natural raw materials, combined with traditional methods and craftsmanship.

Its All About YOU!



BUY WHISKEY ONLINE OR SEND AS A GIFT | WHISKEY CORPORATE GIFTS | CASKCARTEL.COM (/COLLECTIONS/CASK-CARTEL)



SALE



(/collections/cask-

**YELLOWSTONE SELECT
BOURBON
(/COLLECTIONS/CASK-
CARTEL/PRODUCTS/YELLOWSTONE-
KENTUCKY-BOURBON)**
\$54.99

**ANGEL'S ENVY KENTUCKY
STRAIGHT BOURBON WHISKEY
(/COLLECTIONS/CASK-
CARTEL/PRODUCTS/ANGELS-
ENVY-KENTUCKY-STRAIGHT-
BOURBON)**

**WOODFORD RESERVE DOUBLE
OAKED BOURBON WHISKEY
(/COLLECTIONS/CASK-
CARTEL/PRODUCTS/WOODFORD-
RESERVE-DOUBLE-OAKED-
BOURBON)**

**HORSE SOLDIER STRAIGHT
BOURBON WHISKEY
(/COLLECTIONS/CASK-
CARTEL/PRODUCTS/HORSE-
SOLDIER-STRAIGHT-
BOURBON-WHISKEY)**

LARGEST SPIRITS
MARKETPLACE
(/collections/cask-cartel)



GOOGLE 4.5 STAR
VERIFIED REVIEWS
(/pages/reviews)



AWARD WINNING
SUPPORT TEAM
(/pages/contact)



CERTIFIED AUTHENTIC
PREMIUM SPIRITS
(/collections/featured)



MENU

View Shop (/collections/cask-cartel)
Search Products (/search)
Gift Cards (/products/caskcartel-com-gift-cards)
Corporate Gifting (/pages/corporate-gifting)
Partnerships (/pages/partners)
Vault Access (/pages/vault)
Contact (/pages/contact)

...

Reviews (/pages/reviews)
Privacy Policy (/pages/privacy-policy)
Cancellations & Returns (/pages/cancellation-
return-policy-agreement)
Terms of Service (/pages/terms-and-conditions)
Legal Agreement (/pages/legal-agreement)
Media Kit (/pages/media)

CUSTOMER SERVICE

(888) 548-0333 (tel:+18885480333)
help@caskcartel.com
(mailto:help@caskcartel.com)



(https://t.me/caskcartel)

Support

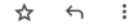
m/c

Exhibit E



Chan Ni
to me ▾

Mar 4, 2024, 4:19 PM



Chris,

We are dismayed to learn that yet more bottles of valuable liquor were missing AGAIN.

After learning that we had won the bid, we were told that **2 bottles of "The Macallan No. 6 Highland Single Malt Whiskey"** were stolen.

Now we further learned that the more valuable **30-year (5 bottles) and 50-year (12 bottles) Moutai** were missing. Of all the liquors in the auction, these are two of our favorites. The total market price of these 17 bottles is over US\$100,000. I can't tell you how disappointed we are.

As for compensation,

(1) the only liquor we are interested in getting from your remaining inventory list would be:

TYPE	BRAND	DESCRIPTION	QTY
Suntory Whisky	Hibiki	12 yrs 700ml	2
Suntory Whisky	Hibiki	21 yrs 700ml	1
Whisky	Yamazaki	Single Malt 18yr 700ml	1

However, their market value is much lower than our losses of **Moutai** and **Macallan No. 6**.

(2) We understand that IPI's vehicles (luxury vans, limousines, heavy plant trucks) and F&B equipment will be opened for bidding. We urge you to provide us with details of them so that we can consider taking some for free to cover our losses.

Since one of our friends will be travelling to Saipan, it is best to send us the details before March 6 so that we can arrange for her to assist with the inspection on March 7 or 8.

Exhibit F



Aaron Halebua <aaron.halebua@gmail.com>

Re: URGENT: Removal of egg/sphere from IPI in violation of Court order

Howyo Chi <howyodoing@gmail.com>

Tue, Nov 7, 2023 at 8:17 PM

To: Aaron Halebua <ah@aaronhalebua.com>

Cc: MICHAEL CHEN <michael@michaelchenlaw.com>, "Stephen J. Nutting (stephen_nutting@yahoo.com)"

<stephen_nutting@yahoo.com>, Tao Xing <tao_xing@yahoo.com>, bruce berline <bberline@gmail.com>, "

<mwhite@saipan.com>" <mwhite@saipan.com>, Tim Shepherd <tim@clearmanagementgroup.com>, Martin Wright

<martin@clearmanagementgroup.com>, Vincent Seman <vjseman@semanlaw.com>

Hafa Adai Mr. Halebua,

Thank you for the email.

I initially thought that the egg was not included in the part of the writ. To clarify, our objective was to disassemble the egg and remove it because it is thought to bring negative feng shui to IPI. After receiving your email, I have directed our team to halt their work on it until we receive additional clarification regarding this issue.

Regards,
Chi

On Wed, Nov 8, 2023 at 10:49 AM Aaron Halebua <ah@aaronhalebua.com> wrote:

Dear IPI:

It has been observed that the egg/sphere in the casino is being taken apart and removed from the casino. (See attached photo.) This item is subject to the writ of execution issued in favor of Plaintiff Gray and the order appointing Clear Management as the limited receiver to liquidate that item. This appears to be a clear violation of those court orders, and no notice was provided about what IPI is doing or on what authority it is doing so. **Please provide an explanation within the next hour. If we do not receive a response by November 8, 2023 at 12:00pm (ChST), we will be asking the Court to hold all IPI officers, directors, employees, and any others involved in violating this order in contempt of court.**

Sincerely,
Aaron Halebua

--

Aaron Halebua
Aaron Halebua, PLLC
524 Broadway, 11th Floor
New York, NY 10012
T: (646) 854-9061
E: ah@aaronhalebua.com
W: www.aaronhalebua.com

Exhibit G

AARON HALEGUA, PLLC

524 Broadway, 11th Floor
New York, NY 10012
T: (646) 854-9061 ♦ E: ah@aaronhalegua.com

March 7, 2024

Stephen Nutting
E: stephen_nutting@yahoo.com

Michael Chen
E: michael@michaelchenlaw.com

Via electronic mail

RE: IPI's Failure to Comply with Receivership Orders

Dear Mr. Nutting and Mr. Chen,

We represent Clear Management, Joshua Gray, and U.S.A. Fanter (the “parties”). As you are aware, Clear Management has been appointed as the Limited Receiver to liquidate certain personal property belonging to IPI (the “Personal Property”) pursuant to an Orders of the U.S. District Court for the Northern Mariana Islands (the “Court”) in *Gray v. IPI*, No. 19-cv-0008 (ECF No. 275) (“Gray Order”) and *U.S.A. Fanter v. IPI*, No. 21-cv-0035 (ECF No. 49) (“Fanter Order”) (together, the “Orders”).

General Noncompliance

Clear Management, Gray, and U.S.A. Fanter express their disappointment and concern about the numerous documented violations of the Orders by IPI over the past several months. These acts demonstrate a clear lack of respect for the Orders and authority of the Court, as well as a commitment to undermining and obstructing the liquidation process. As one example, despite a clear direction by the Court that IPI not interfere with the property subject to the Gray Order (Gray Order ¶ 17), IPI was found to be using an electric drill to remove parts of one of the art pieces in the casino. When confronted about it, IPI claimed that it did not like the “feng shui” of the object. In another instance, during the auction of the liquor, IPI’s affiliate made a large bid on the entire liquor collection, but then after it was announced as the winner, refused to pay the amount it had bid. Further, long after IPI was required to turn over the keys to its vehicles pursuant to the Fanter Order, and despite Clear Management’s multiple written requests for the keys, IPI continued to permit its employees and agents to drive a Cadillac Escalade and Toyota Yaris around the island up until this week.

Security

The Orders make clear that IPI is responsible for ensuring the security of the Personal Property until it is transferred to the auction winner. Given the known challenges in securing the

inventory, the Orders put specific obligations on IPI to ensure that it took this responsibility seriously. In particular, the Gray Order provides:

IPI shall ensure and fund the security of IPI's Personal Property until it is sold by the Limited Receiver and delivered to the buyer. Within fourteen (14) days of the filing of the inventory list by the Receiver, IPI shall file with the Court a sworn declaration and supporting evidence demonstrating its compliance with this provision. (Gray Order ¶ 16).

The Receiver filed its inventory list on November 10, 2023. IPI never complied with the Gray Order by filing a sworn declaration and supporting evidence to demonstrate that IPI is ensuring the security of the relevant Personal Property. Indeed, IPI's failure to provide adequate security at the casino has already resulted in significant financial loss to the parties. Between the filing of the initial inventory and the auction, several expensive bottles of McCallan whiskey were stolen from the casino. Yet, despite this demonstration that IPI's security was inadequate, IPI apparently took no measures to improve security at the casino—resulting in the theft of more liquor. In or around February 2024, after the liquor had been sold, 17 bottles of Moutai liquor was stolen from a room in the casino with a master lock on the door. (A police report was filed on or around February 28, 2024 (# 24-001301)). Hence, IPI's failure to provide sufficient security has resulted in a financial loss to the parties. Therefore, the parties fully intend to hold IPI financially responsible for the losses that have been incurred due to its violation of the Orders. However, the parties also demand that IPI comply with the Orders by taking adequate measures to secure the remaining Personal Property and avoid further theft or damage.

Accordingly, the parties demand that IPI develop and execute a security arrangement that adequately secures the Personal Property at the casino site and wherever else it is being held. For instance, several vehicles are currently located at an IPI property on Middle Road and at an IPI villa. It has already been demonstrated that the current barebones security arrangement at the casino—which often has just two or even one single security guard on duty at a time—is inadequate to protect the Personal Property in the casino. Furthermore, IPI cannot argue that it lacks the funds to hire additional security in light of its revelation to this Court that it recently received a \$20 million cash infusion. (*See IPI v. CNMI*, No. 24-cv-0001, ECF No. 3-17 (Feb. 26, 2024) (bank records of transfer to Ji Xiaobo)).

Thus, IPI shall immediately increase the security presence at the casino and other sites holding the Personal Property to make sure that IPI is in compliance with the Orders, and IPI should submit a sworn statement to the Court describing the new security arrangement and demonstrating its adequacy by Monday, March 11, 2024 at 10 a.m. ChST. If IPI fails to do so, the parties will consider moving to hold IPI and its principals in contempt.

Vehicles

Pursuant to the Fanter Order, on January 22, 2024, Clear Management submitted an inventory list that identified 122 vehicles. (ECF No. 51). IPI was required to file any objection to the sale of any item on that list within seven days, and by not doing so, IPI has waived any objection to Clear Management selling any item on that list. (Fanter Order ¶ B(1)). IPI was also required to tender the keys to each vehicle on that list as well as the title to each vehicle. As you are aware, despite numerous requests, IPI has provided keys and titles to only a portion of the listed vehicles.

We understand that you have communicated a variety of explanations as to why IPI is unable to provide the keys or title for many of these vehicles—despite the time for raising such objections having long expired. By our count, IPI has provided keys to 65 vehicles, and title to 26 vehicles—including at least three that IPI claims belong to MCC. This suggests a failure to comply with the Court’s Order to provide keys and title for each vehicle listed in the inventory.

In order to move forward on this issue, however, and to hopefully avoid the need to file a motion seeking to hold IPI in contempt, the parties need a reasonable explanation made under oath as to why IPI has not produced at least the keys for the outstanding vehicles. Accordingly, the parties request that IPI provide a sworn declaration by someone with personal knowledge specifically describing why IPI has not tendered the keys to the remaining vehicles, including where keys were normally stored, where and why they were moved, and what steps IPI took to find or recover the keys. For each key that has been provided, IPI must also state whether it is maintaining a duplicate key for that vehicle. In order to facilitate this process, Clear Management is attaching as **Appendix A** a list of the vehicles for which keys have been provided (and IPI can fill in whether or not it maintains a duplicate), and as **Appendix B** a list of the vehicles for which a key has not been provided (and IPI can specifically describe why it has not produced the key). The sworn declaration should provide general information about the lack of keys and titles, and also specifically swear to the information entered into the lists. This declaration shall be provided to the parties no later than Monday, March 11, 2024 at 10:00 a.m. ChST.

If you have any questions concerning the above, please contact Aaron Halegua at the email or phone number at the top of this letter.

Sincerely,

/s/ Aaron Halegua
Aaron Halegua

/s/ Bruce Berline
Bruce Berline

/s/ Colin Thompson
Colin Thompson

/s/ Michael White
Michael White

Appendix A**LIST OF KEYS
(March 6, 2024)**

	YEAR	MAKE	MODEL	COLOR	LICENSE	TITLE	KEYS	DUPLICATE KEY? (Y/N)
1	2016	Mazda	Mazda 6	Black	ACS 868		YES	
4	2015	Toyota	Yaris	White	ACU 620	YES	YES	
5	2015	Toyota	Yaris	White	AET 151	YES	YES	
7	2015	Toyota	Yaris	Silver	ACU 630		YES	
10	2015	Toyota	Tundra	Dark Blue	ACM 919		YES	
11	2016	Mazda	Mazda CX-5	Gray	ACS 828	YES	YES	
19	2014	Sinotruk	Howo Tractor Trailer A7	Black	HE 3495	YES	YES	
22	2013	Zoom	Crane Truck	Gray	HE 3520		YES	
23	2013	Zoom	Crane Truck	Gray	HE 3519		YES	
24	2014	Toyota	FJ Cruiser	White	ACR 980	YES	YES	
25	2016	Hyundai	Tucson 13	Silver	ACT 294		YES	
27	2015	Ford	F - Transit Xl 15 Passenger 3	Red	BUS 1541		YES	
28	2015	Ford	F-E-450 Xl Starcraft 24 Passenger 5	White	BUS 1500		YES	
29	2017	Ford	Starcraft Mvp 24 Passenger 6	White	BUS 1476		YES	
30	2016	Ford	Starcraft Mvp 24 Passenger 7	White	BUS 1477		YES	
31	2017	Ford	Starcraft Mvp 24 Passenger 8	White	BUS 1478		YES	
32	2017	Ford	Starcraft Mvp 24 Passenger 9	White	BUS 1479		YES	
33	2015	Ford	F-550 Xl Starcraft 33 Passenger 10	White	BUS 1569		YES	

36	2015	Lexus	RX 450	White	AFE 732	YES	YES	
37	2016	Lexus	RX 350	Gray	KUNL 003		YES	
38	2015	Nissan	Frontier	Charcoal Gray	AEX 102		YES	
40	2015	Toyota	Rav4	White	KUNL 001	YES	YES	
41	2015	Mazda	Mazda 3	White	AEO 651		YES	
46	2015	Toyota	Rav4	Orange	KUNL 002	YES	YES	
47	2014	Toyota	FJ Cruiser	Pink	Pace		YES	
48	2015	Toyota	Yaris	Gray	ACU 610	YES	YES	
49	2014	Toyota	Yaris	Blue	ACS 976	YES	YES	
51	2017	Kia	Sedona Ex-L	Brown	BEST 13		YES	
52	2017	Rolls-Royce	Ghost Extended 劳斯1	White	BEST 88	YES	YES	
53	2017	Rolls-Royce	Ghost Extended 劳斯2	White	BEST 888	YES	YES	
54	2016	Cadillac	Escalade 凯迪拉克 2	Black	BEST 01		YES	
55	2016	Cadillac	Escalade 凯迪拉克 3	Black	BEST 02		YES	
56	2016	Cadillac	Escalade 凯迪拉克 5	Black	BEST 09		YES	
57	2016	Cadillac	Escalade 凯迪拉克 6	Black	BEST 08		YES	
58	2016	Kia	Sedona EX 奇亚7人	Brown	BEST 12		YES	
59	2017	Cadillac	Escalade 凯迪拉克 7	Black	BEST 25		YES	
60	2017	Cadillac	Escalade 凯迪拉克 8	Black	BEST 26	YES	YES	
61	2017	Cadillac	Escalade 凯迪拉克 9	Black	BEST 27	YES	YES	
62	2017	Cadillac	Escalade 凯迪拉克 10	Black	BEST 28		YES	
64	2015	Mercedes	M3Cai170E 奔驰 15人商务大车 2	Black	BEST 30	YES	YES	

65	2016	Kia	Sedona EX 奇亚7人	Brown	BEST 35	YES	YES	
66	2017	Kia	Sedona EX 奇亚7人	Black	BEST 10		YES	
67	2017	Kia	Sedona EX 奇亚7人	Brown	BEST 11		YES	
68	2016	Toyota	Sienna 丰田7人	Black	BEST 36	YES	YES	
69	2016	Toyota	Sienna 丰田7人	Black	BEST 39		YES	
70	2009	Hummer	H2 旱马	Black	BEST 22		YES	
71	2015	Toyota	Rav4	White	ADF 738	YES	YES	
72	2016	Hyundai	Tucson	Silver	AEV 212		YES	
73	2015	Nissan	Frontier	White	ACT 700	YES	YES	
90	2008	Hummer	H2 Pickup 旱马卡车	Black	BEST 23		YES	
91	2016	Cadillac	Escalade 凯迪拉克 4	Black	BEST 05		YES	
94	2015	Ford	F - Transit Xl 15 Passenger 2	Red	BUS 1542		YES	
95	2015	Ford	F - Transit Xl 15 Passenger 4	Red	BUS 1534		YES	
96	2015	Ford	F - Transit Xl 15 Passenger 1	Red	BUS 1529 / BUS 1714		YES	
98	2016	Kia	Sedona EX 奇亚7人	Brown	BEST 33		YES	
99	2015	Lincoln	Mkt 120" 加厂林肯 1	Black	BEST 07		YES	
100	2015	Lincoln	Mkt 120" 加厂林肯 2	Black	BEST 06		YES	
101	2016	Mercedes	M3Cai170E 奔驰 15 人商务大车 5	Black	BEST 20		YES	
103	2015	Mercedes	M3Cai170E 奔驰 15 人商务大车 4	Black	BEST 32	YES	YES	
104	2016	Mercedes	M3Cai170E 奔驰 15 人商务大车 6	Black	BEST 21		YES	
120		Ford	Transit	White	ACU 860		YES	
121	2016	Kia	Sportage				YES	

122		Hyundai		Gray			YES	
123		TOYOTA	Unknown				YES	
124		Honda					YES	
125		Unknown					YES	

Appendix B**MISSING KEYS LIST
(March 6, 2024)**

	YEAR	MAKE	MODEL	COLOR	LICENSE PLATE	LOCATION	<u>IPI COMMENT</u>
1	2016	Nissan	Frontier	Silver	ACW 746		
2	2004	Toyota	Express Extend (Van)	White	BUS 1236	MIDDLE ROAD	
3	2015	Ford	Transit	White	BUS 1533	MGM	
4	2015	Toyota	Tundra	White	AEU 492		
5	2016	Sinotruk	Crane Truck	White	HE 3553		
6	2005	Thomas	Transit Bus	White	BUS 1591	MIDDLE ROAD	
7	2007	Freightliner	Ameritrans	White	BUS 1592		
8	2003	Thomas	Saf-T-Liner	Blue	BUS 1596		
9	2016	Toyota	Boom Truck	White	TEMP 5079		
10	1997	Hyundai	Boom Truck (5-Tons)	White	HE 3517		
11	2013	Sinotruk	Howo Tractor Trailer A7	Black	HE 3547	MIDDLE ROAD	
12	2013	Sinotruk	Howo Tractor Trailer A7	Black	HE 3548	MIDDLE ROAD	
13	2013	Sinotruk	Howo Tractor Trailer A7	Black	HE 3545	MIDDLE ROAD	
14	2013	Sinotruk	Howo Tractor Trailer A7	Black	HE 3549	MIDDLE ROAD	
15	2015	Nissan	Quest Sv 尼桑7人 15	Red	ACN 994 / ADA 314		
16	2016	Hyundai	Tucson 12	White	AEV 222	BEACH	
17	2015	Hyundai	Tucson	Silver	AER 781		
18	2000	Toyota	Tundra	Silver	ADA 028		
19	2015	Honda	Accord	Blue	ACO 104	IPI	
20	2014	Toyota	FJ Cruiser	Orange	ACN 429	IPI	
21	2015	Hyundai	Tucson	White	ACX 313		

22	2015	Mazda	Mazda 3	Silver	AEO 661	BEACH	
23	2015	Hyundai	Accent	White	ACR 731	MISSING	
24	2015	Mercedes	M3Cai170E 奔驰 15 人商务大车 1	Black	BEST 31		
25	2014	Toyota	Box Truck	White	ACV 034		
26	2016	Isuzu	Box Truck	White	HE 3567		
27	2016	Nissan	Frontier	Silver	AEV 752		
28	2016	Ford	Transit 350 XL	White	BUS 1418		
29	2015	Toyota	Tacoma	Red	ACV 326		
30	2014	Nissan	370Z 2 Dr coupe 红车	Red	ACW 223		
31	2016	Chevrolet	F-550 XI Starcraft 33 Passenger	White	BUS 1414		
32	2017	Kia	Sedona	Silver	ACV 900	BEACH	
33	2007	Toyota	Express Extend (Van)	White	BUS 1225		
34	2001	Toyota	Express Extend (Van)	White	BUS 1371		
35	2002	Ford	E350 Clubwgn (Van)	White	BUS 1062		
36	2004	Toyota	Econoline E350 (Van)	Beige	BUS 1274		
37	2005	Chevrolet	Bis	White	BUS 1474		
38	1996	Toyota	N/A	White	BUS 1224		
39	1998	Toyota	Bus	White	BUS 1436		
40	1998	Toyota	Bus	White	BUS 1437		
41	2015	Cadillac	Escalade 凯迪拉克 1	Black	BEST 03	BEACH	
42	2015	Chevrolet	Express 15 Passenger 15人巴士 11	White	BUS 1632		
43	2016	Kia	Sedona EX 奇亚7人 18	Brown	ACT 708	BEACH	
44	2015	Mercedes	M3Cai170E 奔驰 15 人商务大车 3	Black	BEST 29	BEACH	
45	2014	Nissan	Quest Sv 尼桑7人 17	Red	ACK 039		
46	2014	Nissan	Quest Sv 尼桑7人 16	Gray	ACK 029	IPI	

47	2015	Nissan	Quest Sv 尼桑7人 14	Gray	ACR 684		
48	2003	Thomas	Saf-T-Liner	Blue	BUS 1597	MIDDLE ROAD	
49	2002	International	Bus	White	BUS 1373		
50	1998	International	Bus	White	BUS 1442		
51	2013	Sinotruk	Howo Tractor Trailer A7	Black	HE 3496		
52	2013	Sinotruk	Howo Tractor Trailer A7	Black	HE 3546		
53	2013	Sinotruk	Howo Tractor Trailer A7	Black	HE 3550	MIDDLE ROAD	
54	2016	Sinotruk	Crane Truck	Red	HE 3494		
55	2016	Sinotruk	Chufend 3 Axie	White	HE 3552	MIDDLE ROAD	
56	2016	Mitsubishi	Fuso FE 160	White	ACR 987		
57	2016	Ford	F - Transit Xl 15 Passenger	White	BUS 1454		
58		TOYOTA	TACOMA	White	AET 532	LAU LAU	
59		HUMMER	H2	Green	ACK 989	BEACH	
TOTAL	59/125						

Exhibit H



Aaron Halegua <aaron.halegua@gmail.com>

Re: Letter regarding IPI's compliance with receivership orders

MICHAEL CHEN <michael@michaelchenlaw.com>

Tue, Mar 19, 2024 at 5:57 PM

To: Aaron Halegua <ah@aaronhalegua.com>

Cc: Howyo Chi <howyodoing@gmail.com>, "Stephen J. Nutting (stephen_nutting@yahoo.com)" <stephen_nutting@yahoo.com>, bruce berline <bberline@gmail.com>, Colin Thompson <cmtlaw@live.com>, Michael White <mwhitespn@yahoo.com>, Martin Wright <martin@clearmanagementgroup.com>, Tim Shepherd <tim@clearmanagementgroup.com>

Hi Aaron,

I will relay the questions to IPI and get back to you as soon as possible. No sure I can get it to you by Thursday, though.

Michael

From: Aaron Halegua <ah@aaronhalegua.com>

Date: Tuesday, March 19, 2024 at 2:55 PM

To: MICHAEL CHEN <michael@michaelchenlaw.com>

Cc: Howyo Chi <howyodoing@gmail.com>, Stephen J. Nutting (stephen_nutting@yahoo.com) <stephen_nutting@yahoo.com>, bruce berline <bberline@gmail.com>, Colin Thompson <cmtlaw@live.com>, Michael White <mwhitespn@yahoo.com>, Martin Wright <martin@clearmanagementgroup.com>, Tim Shepherd <tim@clearmanagementgroup.com>

Subject: Re: Letter regarding IPI's compliance with receivership orders

Hi Michael --

Thank you for sharing this information. But without a budget, a definition of "full time", or an actual schedule showing how many guards are working at what time, I don't believe that this adequately describes a plan to "ensure and fund the security of IPI's Personal Property" as ordered by the Court. There is also no mention of what the guards are doing while "on duty"-- do they sit at the desk by the door, do they patrol the casino (if so, which parts), are they in the garage, etc.? There is also no description of what the security situation was prior to the thefts and what has actually changed since then. In whose expert opinion is it determined that hiring a few more guards will stop future theft? What is the explanation of how the first thefts occurred?

We cannot afford for there to be additional damage or theft to the property that will be auctioned. Please let me know if you will be able to provide this information by the COB on Thursday, Saipan time. Thank you.

Aaron

On Tue, Mar 19, 2024 at 5:37 PM MICHAEL CHEN <michael@michaelchenlaw.com> wrote:

Dear Aaron,

Here is the answer for your questions:

1. How many total security guards are there now?

- Currently, we have a total of 11 full-time security staff.

2. How many are on duty at any given time, and what are their duties/where are they stationed?

- At any given moment, we typically have 2 to 3 security officers on duty. Our aim is to maintain a minimum of 3 security officers on duty at all times. We are actively in the process of hiring additional security personnel to achieve this goal.

The duties of the Security Officer are as followed:

- Responsible for monitoring, patrolling and protecting the security of the company and assets.
- Provide a safe environment for employees and Guests, minimizing risk for loss and/or damage;
- Ensure that those who should not be granted access to the property are professionally and politely prevented from gaining access or escorted from the building;
- Provide support in an emergency or evacuation situation, in a calm and professional manner;
- Ensure and regularly check that the property's fire exit doors are maintained free of obstructions, reporting any defects or maintenance issues as appropriate;
- Monitor and respond immediately to alarm system activations to check designated areas of concern;
- Maintain all security related equipment and working areas to a high standard of cleanliness and safety and ensure all defects are reported;
- Undertake first aid training and provide first aid services to staff, visitors or patrons as appropriate;
- Supervising, dispatching and scheduling of security personnel.
- Provides a positive work environment, encouraging teamwork and cooperation, creating a courteous, respectful and pleasant interaction with each client, employee, and visitor.
- Performs other duties as directed.
- They are stationed at various posts as needed.

3. It is fine to have the "authority" to hire more people, but what is the budget?

- At present, we do not have a predefined budget for hiring additional staff. However, we anticipate hiring 3 additional full-time security officers, primarily to accompany Clear Management staff while they are on-site. This decision stems from recent incidents, notably the disappearance of 17 Moutais under Clear Management's direct supervision.

IPI is dedicated to safeguarding its remaining assets in the CNMI and reserves the right to pursue legal action against any instances of theft.

Michael

From: Aaron Halegua <ah@aaronhalegua.com>
Date: Tuesday, March 19, 2024 at 2:18 PM
To: MICHAEL CHEN <michael@michaelchenlaw.com>
Cc: Stephen J. Nutting (stephen_nutting@yahoo.com) <stephen_nutting@yahoo.com>, bruce berline <bberline@gmail.com>, Colin Thompson <cmtlaw@live.com>, Michael White <mwhitespn@yahoo.com>, Martin Wright <martin@clearmanagementgroup.com>, Tim Shepherd <tim@clearmanagementgroup.com>
Subject: Re: Letter regarding IPI's compliance with receivership orders

Dear Michael,

Can you please update us on the questions we raised below? Thank you.

Aaron

On Mon, Mar 11, 2024 at 9:07 PM MICHAEL CHEN <michael@michaelchenlaw.com> wrote:

Hi Aaron,

I will contact IPI to get answers for you.

I am not sure I can get all the answers to you by the end of today, but I will try my best.

Michael

From: Aaron Halegua <ah@aaronhalegua.com>
Date: Monday, March 11, 2024 at 6:55 PM

To: MICHAEL CHEN <michael@michaelchenlaw.com>

Cc: Stephen J. Nutting (stephen_nutting@yahoo.com) <stephen_nutting@yahoo.com>, bruce berline <bberline@gmail.com>, Colin Thompson <cmtlaw@live.com>, Michael White <mwhitespn@yahoo.com>, Martin Wright <martin@clearmanagementgroup.com>, Tim Shepherd <tim@clearmanagementgroup.com>

Subject: Re: Letter regarding IPI's compliance with receivership orders

Hi Michael --

Thank you for preparing and filing these. But can you provide an explanation of the actual current security situation? My understanding is that there was already security "24/7", however, the issue is that you would often only have one or two security guards on duty for the entire premises. The theft was not limited to the liquor, but people stealing copper wire and other items.

So how many total security guards are there now? How many are on duty at any given time, and what do they do/where are they stationed? It is fine to have the "authority" to hire more people, but what is the budget? If these questions are not answered, there is really no way to evaluate the adequacy of the plan, and I do not think it meets the requirement of the Court's order. Please send me this information by the close of business today CNMI time.

Aaron

On Tue, Mar 12, 2024 at 9:32 AM MICHAEL CHEN <michael@michaelchenlaw.com> wrote:

Hi Aaron,

I was driving all day yesterday. I received the declaration from IPI yesterday (Sunday on the West Coast).

The two declarations were filed a few minutes ago, right before 10:00AM local time.

Have a good day.

Michael

From: Aaron Halegua <ah@aaronhalegua.com>

Date: Monday, March 11, 2024 at 12:37 AM

To: MICHAEL CHEN Esq. <michael@michaelchenlaw.com>

Cc: Stephen J. Nutting (stephen_nutting@yahoo.com) <stephen_nutting@yahoo.com>, bruce berline <bberline@gmail.com>, Colin Thompson <cmtlaw@live.com>, Michael White <mwhitespn@yahoo.com>, Martin Wright <martin@clearmanagementgroup.com>, Tim Shepherd <tim@clearmanagementgroup.com>

Subject: Re: Letter regarding IPI's compliance with receivership orders

Hi Michael,

The deadline for a response by Monday (today), 10am Saipan time was decided not just by me, but the other creditors and receiver. Please send your response prior to Tuesday, March 12 at 10am Saipan time. Thank you.

Aaron

On Mon, Mar 11, 2024 at 2:57 PM MICHAEL CHEN Esq. <michael@michaelchenlaw.com> wrote:

Hi Aaron,

I am collecting responses from IPI. Will get back to you in a few days.

Michael

Sent from my iPhone

On Mar 9, 2024, at 05:39, Aaron Halegua <ah@aaronhalegua.com> wrote:

Thank you, Michael. Please let us know.

On Fri, Mar 8, 2024 at 2:52 AM MICHAEL CHEN <michael@michaelchenlaw.com> wrote:

Mr. Halegua,

Your email is received. I will review it with my client.

Michael

From: Aaron Halegua <ah@aaronhalegua.com>

Date: Thursday, March 7, 2024 at 4:40 AM

To: Stephen J. Nutting (<stephen_nutting@yahoo.com>), MICHAEL CHEN
<michael@michaelchenlaw.com>

Cc: bruce berline <bberline@gmail.com>, Michael White
<mwhitespn@yahoo.com>, Colin Thompson <cmtlaw@live.com>, Tim

Shepherd <tim@clearmanagementgroup.com>, Martin Wright
<martin@clearmanagementgroup.com>

Subject: Letter regarding IPI's compliance with receivership orders

Dear Steve and Mike,

Please see the attached letter. We look forward to IPI's response.

Best,

Aaron

--

Aaron Halegua

Aaron Halegua, PLLC

524 Broadway, 11th Floor

New York, NY 10012

T: (646) 854-9061

E: ah@aaronhalegua.com

W: www.aaronhalegua.com

--

Aaron Halegua

Aaron Halegua, PLLC

524 Broadway, 11th Floor

New York, NY 10012

T: (646) 854-9061

E: ah@aaronhalegua.com

W: www.aaronhalegua.com

--

Aaron Halegua

Aaron Halegua, PLLC

524 Broadway, 11th Floor

New York, NY 10012

T: (646) 854-9061

E: ah@aaronhalegua.com

W: www.aaronhalegua.com

--

Aaron Halegua

Aaron Halegua, PLLC

524 Broadway, 11th Floor

New York, NY 10012

T: (646) 854-9061

E: ah@aaronhalegua.com

W: www.aaronhalegua.com

--

Aaron Halegua

Aaron Halegua, PLLC

524 Broadway, 11th Floor

New York, NY 10012

T: (646) 854-9061

E: ah@aaronhalegua.com

W: www.aaronhalegua.com

--

Aaron Halegua

Aaron Halegua, PLLC

524 Broadway, 11th Floor

New York, NY 10012

T: (646) 854-9061

E: ah@aaronhalegua.com

W: www.aaronhalegua.com

Exhibit I



Aaron Halegua <aaron.halegua@gmail.com>

Re: Century Estate

Howyo Chi <howyodoing@gmail.com>

Mon, Dec 4, 2023 at 2:30 AM

To: "<mwhite@saipan.com>" <mwhite@saipan.com>, Michael White <mwhitespn@yahoo.com>, query@saipanauction.com, Tim Shepherd <tim@clearmanagementgroup.com>

Cc: Vincent Seman <vjseman@semanlaw.com>, MICHAEL CHEN <michael@michaelchenlaw.com>, "jji.lojji@aol.com" <jji.lojji@aol.com>, Stephen Nutting <stephen_nutting@yahoo.com>, IPI Legal <ipicnmi.legal@gmail.com>, bruce berline <bberline@gmail.com>, "Lily M. Celis" <fitzgerald.law@gmail.com>, Aaron Halegua <ah@aaronhalegua.com>, "bid@saipanauction.com" <bid@saipanauction.com>

Hafa Adai Mr. White and Clear Management,
May I have an update on this matter please?

Regards,
Chi



Matter of Century Estate Investment Limited-Letter 20231130.pdf

182K

VIA EMAIL ONLY

November 30, 2023

Michael A. White, Esq.
The Law Offices of Michael A. White, LLC
P.O. Box 5222
Saipan, MP 96950
P: (670) 234-6547
F: (670) 234-9537
E: mwhitespn@yahoo.com
Attorney for Receiver Clear Management, Ltd.

[See Service Mailing List Attached]

RE: Century Estate Investment Limited

Dear Mr. White:

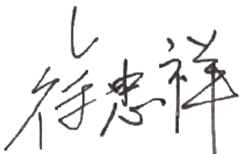
Century Estate Investment Limited (“Century Estate”) will bid in the upcoming auction of certain Imperial Pacific International (CNMI) (“IPI”) liquor assets. As the holder of the senior secured interest in IPI’s assets, Century Estate intends to credit bid.

Please acknowledge by close of business on December 4, 2023, the Receiver’s willingness to accept such credit bids.

To facilitate the bidding process, I authorize Mr Guoqiang HE in Saipan to act on behalf of Century Estate Investment Limited in this round of auction and other actions when Century Estate Investment Limited’s interest is involved.

Thank you for your prompt attention to this matter. Mr HE’s email is aheguoqiang@gmail.com and mobile is 6702876676. He will contact you shortly.

Sincerely,

A handwritten signature in black ink, appearing to be the Chinese characters '何国强' (He Guoqiang), written in a cursive style.

Director of Century Estate Investment Limited

SERVICE MAILING LIST

Vincent Joseph Seman, Sr
Seman Law Offices, LLC
PO Box 10001 PMB 168
JET Building, Chalan Pale Arnold, Gualo Rai
Ste 204
Saipan, MP 96950
P: 670-323-2115
E: vjseman@semanlaw.com

Joseph J. Iacopino, Esq.
LAW OFFICES OF JOSEPH J. IACOPINO
CNMI
100 Wilshire Boulevard, Suite 700
Santa Monica, CA 90401
P: (310) 260-4460
C: (310) 701-5675
E: JJI.LOJJI@aol.com
Attorneys for Creditor Kan Pacific Saipan, Ltd.

Director Tao Xing
E: ipicnmi.legal@gmail.com
Interested Party

Michael Chen, Esq.
Michael Chen Law Offices
7330 Edna Ave
Las Vegas, NV 89117
P: 801-856-0576
E: michael@michaelchenlaw.com

Stephen J. Nutting, Esq.
Law Office of Stephen J. Nutting
P.O. Box 5093 CHRB
Saipan, MP 96950
P: (670) 234-6891
E: stephen_nutting@yahoo.com
Attorneys for Defendant Imperial Pacific International (CNMI), LLC

Bruce L. Berline, Esq.
Berline & Associates LLC
P.O. Box 5682
CHRB, Saipan, MP 96950
P: (670) 233-3663
E: bberline@gmail.com

William M. Fitzgerald, Esq.
Law Office of William M. Fitzgerald
1st Floor, Macaranas Building
P.O. Box 500909
Saipan, MP 96950
P: (670) 234-7241/ 7680
E: fitzgerald.law@gmail.com

Aaron Halegua, Esq.
Aaron Halegua, PLLC
524 Broadway, 11th Floor
New York, NY 10012
P: 646-854-9061
E: ah@aaronhalegua.com
Attorneys for Plaintiff Joshua Gray

Exhibit J

https://www.saipantribune.com/news/local/ipi-yeom-agree-on-49m-settlement-but-palacios-said-to-have-rejected-it/article_c091b0d2-d933-11ee-a15c-c3c5a7dcddb4.html

FEATURED

IPI, Yeom agree on \$49M settlement, but Palacios said to have rejected it

By FERDIE DE LA TORRE

ferdie_delatorre@saipantribune.com

REPORTER

Mar 4, 2024



Imperial Pacific International (CNMI) LLC counsel Michael Chen, who is in Los Angeles, presents IPI's closing arguments during the third day of the Commonwealth Casino Commission hearing on whether or not to revoke IPI's exclusive casino license, held at the Attorney General's Office conference room on Capital Hill last Friday afternoon.

By Ferdie de la Torre//Reporter

Imperial Pacific International (CNMI) LLC director/manager Howyo Chi disclosed Friday that IPI and Commonwealth Casino Commission executive director Andrew Yeom have agreed to a proposed \$49-million settlement, but Gov. Arnold I. Palacios has rejected the settlement terms.

Also, after IPI and Yeom, through their lawyers, completed their closing arguments during Friday's hearing whether to revoke or not IPI's exclusive casino license, CCC board vice chair Rafael S. Demapan and the board's lawyer, assistant attorney general Carl Dela Cruz, said that IPI's motion to disqualify the commissioners from presiding over the case, along with other motions, are placed under advisement and will be addressed in a written order.

Demapan said they are going to hold a public meeting within 30 days, in which the commissioners are also going to deliberate and members of the public will be allowed to speak.

IPI director/manager Chi testified that IPI and Yeom or the CCC have agreed for IPI to pay \$16 million to \$17 million just to lift the CCC's suspension of IPI's casino license, and then IPI will pay \$31 million on its arrears in the annual regulatory and license fees.

"We have submitted proposals, which was not responded. I guess it was accepted by one party but rejected by another party or not responded by another party," he said at the meeting held at the Office of the Governor's conference room on Capital Hill. The revocation hearing was reconvened at the Office of the Attorney General's conference room in the afternoon.

When IPI counsel Michael Chen asked for clarification what "another party" he was referring to, Chi said that Palacios did not approve the settlement proposal.

Chi said they basically had to renegotiate with Palacios through his counsel, but he (Palacios) has never given them a proposal that is acceptable to IPI.

He said Palacios waited for three weeks in trying to make his decision until he (Palacios) returned and told them he rejected the offer.

Chi said they had an agreement with CCC based on the settlement terms, but Palacios did not agree to that.

"And we had to go back to the table. We're trying to figure out what...is acceptable [to] the governor, but the governor did not provide any counteroffer or proposal to us," he said.

Chi said they at first were negotiating strictly with the CCC, without the governor or the governor's counsel being present. Once IPI and Yeom had the framework developed that is agreeable to both CCC and IPI, the CCC was supposed to present it to Palacios.

Chi said they never got an answer from Palacios until the governor came in one day and stated that he would like to see all proposals and make his own decisions because this is a decision that he has to live with.

Chen pointed out that it is his understanding that the CCC is an autonomous agency that can make its own decision.

Chen said the terms of the proposed settlement are fairly comprehensive as it covers the arrears and both future license and regulatory fees and other payments as well, like penalties.

Chi said it is quite frustrating when they keep negotiating and not able to get something in return that's agreeable to the CCC.

Chi agreed with Chen statement that the major obstacle to the process is that IPI is negotiating with more than one party and that IPI does not know what the CNMI necessarily wants.

Chi said if IPI fails to make any payment on the settlement terms, it would be voluntarily giving up the license and will not challenge any administrative proceedings.

Whether or not IPI waives its exclusive gaming license, Chi said they are fine with the splitting of the license.

He said IPI will agree for the Legislature to amend Public Law 18-56 to change the casino license from exclusive to non-exclusive, and the Casino License Agreement as well.

In response to assistant attorney general Keisha Blaise's questions, Chi said he is authorized to accept some settlement terms up to a certain point, but he will need to consult with the lawyer of IPI's stakeholders past a certain point. Blaise is Yeom's lawyer.

During further discussions, Chi said that IPI agreed to transfer its casino license to the Japan-based investor, Kyosei Bank Group.

He also clarified that IPI is not offering to pay CCC the full \$62 million arrears in regulatory and license fees because of force majeure. Instead, IPI is looking for a way to settle this amicably.

Chi said IPI even offered to transfer the license and leave the island peacefully.

"It's not our intention to go through this messy revocation process that could drag on for years to come," he said.

Chi said the CCC is amenable to the offer to leave the island and transfer the license.

"We are just frustrated that the governor appears to have stuck on this messy litigation. We want to settle this as swiftly and peacefully as possible," he said.

Chi said they believe COVID-19 played a major role in IPI's inability to pay the 2020 license and regulatory fees. He said CCC suspended IPI's license in April 2021 and since then IPI has not been in operation.

Chi said they also believe that once their license was suspended, they shouldn't be continuously accruing fees going forward because they were not being able to use their license. "Why do we have to pay this license when we cannot even use this license? That is our main argument," said Chi, adding that IPI's casino closed in March 2020.

Chi said they have offered to pay for April 2021, with what they believe they have to pay, but it was not accepted. For the whole 2021, 2022, 2023, and 2024, Chi said they offered to pay for two years for \$31 million and it also wasn't accepted.

"So it's really frustrating that we're putting our best effort to resolve this issue, even though we believe we don't have to pay after 2021," Chi said.

In a good faith effort to try to settle this and move forward, he said, they will be willing to pay \$16 million to \$17 million just to get their license back, and for the arrears they will be willing to pay at one point—\$31 million.

"So that's a good \$48 million or \$49 million there. That offer was on the table and we could not get any answers [if] that's enough to satisfy [the] CNMI," he said.

Then there was the offer for IPI to walk away. Chi said that IPI would transfer the license to Kyosei Bank Group completely. IPI will be done with the CNMI and will be out of here.

"That was also on the table. Again, that has not been accepted either. So, you know, we were doing our best to try to resolve this," he said.

Even with the revocation, Chi said, they will be willing to pay some money and just give them a little bit more time to negotiate.

As soon as the money comes in, IPI or Kyosei will immediately hire new employees, hire construction workers, and boost the economy, he said.

"I really believe IPI is doing what we can to try to resolve it," he said.

In response to CCC board vice chair Rafael Demapan's request for clarification, Chi said that Kyosei Bank is willing to take over the entire IPI operation so IPI will be out of the picture completely.

Kyosei Bank Group is not a bank but an investment firm, he said.

Chi said Blaise is asking IPI for \$62 million in order to reinstate the license.

"We don't agree that we need to pay that amount," Chi said.

Blaise said they want to make clear that this revocation hearing is for the 2020 regulatory fee of \$3.1 million.

Blaise said Chi stated that IPI received \$20 million from Kyosei Bank, why did IPI not use some of that funding to pay the \$3.1 million plus penalty.

Chi replied it's because IPI believes force majeure applies and that since the license is suspended, they were not paying the full \$3.15 million.

"This is why we have been telling you—that we will be willing to pay up until the day of suspension and you guys are not accepting. It's not like we will we don't want to make a payment. You don't want to take a payment," Chi told Blaise.

Chi said he was not present at the 2020 enforcement hearing or evidentiary hearing, but he would like to make that claim today that force majeure and the suspension of IPI's license both played a role in why IPI did not make that payment.

In Yeom's closing arguments, Blaise said as the commissioners deliberated on the revocation of IPI casino license for its failure to pay the 2020 casino regulatory fee, it is imperative that they maintain their focus on the central issue at hand—compliance with statutory and regulatory obligations.

"Today, you have heard testimony and evidence that the 2020 casino regulatory fee is required by CNMI statute and casino commission regulations," Blaise said.

She said the commissioners heard that IPI was aware that the casino regulatory fee was a requirement subject to penalties for non-compliance.

Blaise said the commissioners have heard that IPI admitted at the 2021 enforcement hearings that it failed to pay the 2020 regulatory fee, accepted responsibility for its failure to pay the fee, and did not present any defense for its inability to pay.

"You have heard testimony today that the commission relies on the fee to fund its operations, pay its employees, and perform essential functions to regulate IPI, including its duty to ensure that IPI is suitable to be a casino licensee in the Commonwealth," she said.

Blaise said the commissioners also heard that IPI had access to \$20 million and up until today has not paid the obligation that could prevent the revocation of its license.

She said the commissioners have also heard testimony from IPI that settlement negotiations have taken place between the parties and an agreement was never reached. Blaise pointed out that settlement negotiations do not absolve IPI of its obligation to pay the regulatory fee.

She noted that the 2020 regulatory fee is not subject to negotiation or discretion as it is a mandatory requirement by the statutory and regulatory framework that governs the operation of a casino licensee on Saipan.

"Attempting to divert attention away from its failure to meet this obligation by citing settlement negotiations is a clear attempt by IPI to confuse the issue at hand," Blaise said.

She said the commissioners have also heard testimony and evidence regarding force majeure as an excuse for IPIs failures.

Blaise said force majeure does not provide indefinite immunity from IPI obligations as the CNMI Supreme Court has already determined, therefore compliance is required today.

In essence, she said, the crux of this matter boils down to one crucial question: Has IPI fulfilled its obligations to the Commonwealth Casino Commission and the gaming industry as a whole?

"If the answer is no, as the evidence overwhelmingly suggests, then it is incumbent upon this honorable commission to revoke IPI's casino license without hesitation," she said. Blaise said the interests of justice, the integrity of the industry and the welfare of the community demand nothing less.

In IPI's closing arguments, Chen said for the \$3-million regulatory fee that the CCC is asking for has several constitutional issues.

"And we know that this came in after the agreement was made between Commonwealth and IPI. So at that time, when the contract was signed, IPI was not aware of this \$-million annual fee," Chen said.

He said the idea originally was to have the \$3 million to be paid out of the general operating budget of the Commonwealth and later somehow was modified to make this come exclusively from IPI. Chen said this caused a number of constitutional issues.

Chen said that, based on Chi's testimony, it showed that IPI has made it best effort to raise money either from its parent company, from certain parties, from investors, and from the public.

"It is obviously against their interest to put themselves in this position," he said.

Chen said force majeure is an affirmative defense that either justifies IPI not paying that all or justifies that IPI is not in default that would trigger revocation. This was compounded by the fact that IPI's license was suspended, he said.

Chen said it's common sense that the regulatory fee is paid by somebody with an active casino operation.

He said the CCC's amount of work was obviously reduced because IPI had been shut down. "I don't deny that there's some work that has to be done by CCC, even IPI was not in business, but we also all would agree that its work has been reduced," Chen said.

He said he would argue that the revocation itself is not the right decision for a lot of reasons.

Chen said revocation of the license is going to hurt IPI for sure and it's going to hurt the community, the gaming industry, or the image of the CNMI.

He said the commissioners have the discretion on the proper remedy.

"Absolute or final revocation, we all know, is basically it's a lose-lose situation for everybody," Chen said.

Ferdie Dela Torre

Exhibit K

https://www.saipantribune.com/news/local/dpl-issues-notices-of-default-violations-against-ipi/article_b986efbc-dab6-11ee-8983-b7b6f54d81c8.html

FEATURED

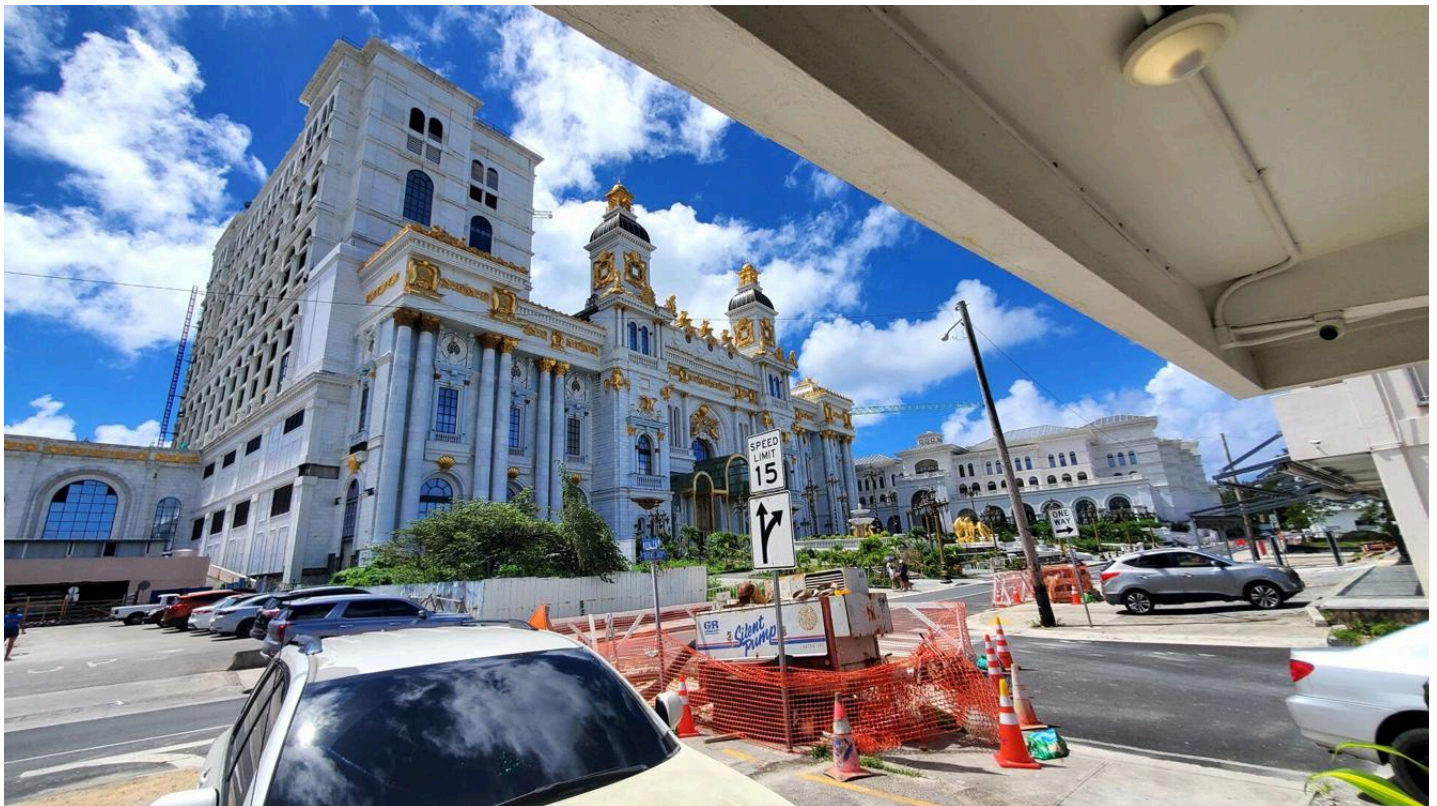
DPL issues notices of default, violations against IPI

By FERDIE DE LA TORRE

ferdie_delatorre@saipantribune.com

REPORTER

Mar 6, 2024



Imperial Pacific International (CNMI) LLC's Imperial Pacific Resort in Garapan is seen here in this file photo.

FERDIE DE LA TORRE

Public Lands Secretary Teresita A. Santos has issued a notice of default and notice of violations against Imperial Pacific International (CNMI) LLC for breach of lease by failing to submit fire and damage insurance and liability insurance, among others.

In her letter to IPI president Lingli Cai last Wednesday, Santos gave IPI 30 days to cure the violations and stated that failure to cure will place IPI in automatic default of the land lease with DPL.

When asked for IPI's comments yesterday, IPI director/manager Howyo Chi said they scheduled a meeting next week with DPL to address the issues.

If IPI fails to cure the violations, DPL will also be forced to take corrective action pursuant to Article 28 (remedies) of their lease, Santos said.

Pursuant to Article 28, upon termination of IPI's right to use the premises, DPL may, 15 days after the written notice, enter the premises and take possession of all buildings, fixtures, and improvements except IPI's removable personal property, trade fixtures and equipment and evict IPI without liability of trespass.

"It is hoped that this will not be necessary as a last resort in addressing this matter," Santos told Cai in the letter.

She said DPL is giving notice to IPI that it is in default for failing to comply with the terms and conditions of their land lease agreement dated April 29, 2015.

The secretary said Article 19 of the lease provides that IPI "shall procure upon the completion of construction of the initial gaming facility, and maintain in force during the entire lease term or any extension thereof, fire and damage insurance of the premises in a company or companies authorized to do business in the NMI, with extended coverage endorsements jointly in the names of" IPI and DPL, covering the full insurable value of all permanent improvements on the premises, subject to appropriate co-insurance provisions.

To cure the violation of Article 19, Santos said IPI must submit to DPL within 30 days proof of valid fire and damage insurance for the premises with extended coverage endorsements.

Article 20 of the lease also provides that IPI shall procure commercial general liability insurance for the premises and operation. Santos said IPI must submit to DPL within 30 days proof of valid commercial general liability insurance for the premises and operation.

The secretary also found that IPI failed to submit government requirements, failed to use the premises for its stated purpose, failed to provide a copy of the CNMI Gross Revenue Tax monthly return, failed to provide annual reports and audit, mortgaging the property without express prior written DPL approval, and failed to use the premises for the purpose set forth in the lease for 90 days without DPL's consent.

Ferdie Dela Torre

Exhibit L

https://www.mvariety.com/news/local/ipi-has-no-president-ceo-cfo/article_9fb94660-dc5b-11ee-bb76-130bba4f21ae.html

IPI has no president, CEO, CFO

Emmanuel T. Erediano

Mar 8, 2024

IMPERIAL Pacific International Director Howyo Chi said he will have to meet next week with Department of Public Lands Secretary Teresita Santos, Compliance Division Director Greg Deleon Guerrero and Assistant Attorney General Rebecca Wiggins to clarify portions of the notice of default that DPL issued against IPI last month.



MV file photo

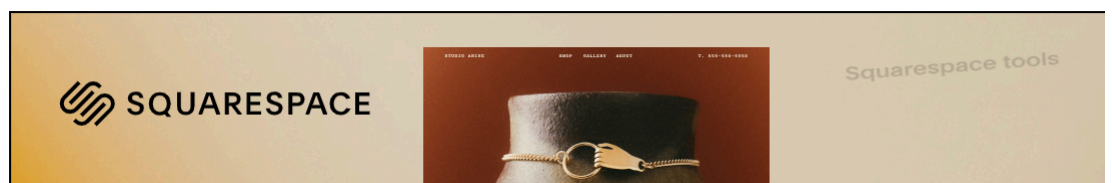
Chi said the notice was addressed to Lingli Cai, IPI's former president.

Cai, who signed the land lease deal with DPL, has not been with IPI since 2019.

Moreover, Chi said IPI no longer has a president, chief executive officer or chief financial officer, but DPL can address its notices and letters to him, Chi.

He said IPI has already submitted an updated annual report to the assistant AG, so DPL's notice has to be updated as well.

Chi said IPI worked on a schedule to meet this week with Santos, Deleon Guerrero and Wiggins. However, he said only Wiggins was available. The DPL officials and other staffers involved in the matter were off-island, Chi added. The meeting with DPL and Wiggins may be held next week, he said.



According to DPL's notice, IPI has violated its land lease contract by its "failure to use the premises for stated purpose," which is to construct, develop and operate a resort, including a luxury hotel, casino and related activities, with 250 hotel rooms and related amenities.

DPL wants IPI to show in writing, a good faith plan to complete its hotel-casino building in Garapan and use it for the purpose set forth in the land lease contract.

If IPI fails to cure these and other breaches within 30 days, the casino operator shall be automatically in default and its lessee's rights are terminated. DPL will issue a 15-day written notice and enter IPI's premises, take possession of all the buildings, fixtures and improvements except removable personal property, trade fixtures, and equipment. DPL will also evict IPI without liability of trespass.

Emmanuel Erediano

Reporter

A bachelor of arts in journalism graduate, he started his career as a police beat reporter. Loves to cook. Eats death threats for breakfast.